parties, we determined to conduct an expedited (120-day) sunset review. *See* 19 CFR 351.218(e)(1)(ii)(C)(2). As a result of this review, we find that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping at the levels listed below in the section entitled ''Final Results of Review.''

**EFFECTIVE DATE:** July 6, 2004.

**FOR FURTHER INFORMATION CONTACT:** Hilary E. Sadler, Esq., Office of Policy, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Room 2837, Washington, DC 20230; telephone: (202) 482–4340.

**SUPPLEMENTARY INFORMATION:**

## Background

On March 1, 2004, the Department published the notice of initiation of the second sunset review of the antidumping duty order on greige polyester cotton printcloth from the People's Republic of China pursuant to section 751(c) of the Act.[1] The Department received the Notice of Intent to Participate on behalf of Alice Manufacturing Company, Inc. and Mount Vernon Mills, Inc., the domestic interested parties, within the deadline specified in section 351.218(d)(1)(i) of the Department's Regulations (''Sunset Regulations''). The domestic interested parties claimed interested party status under section 771(9)(C) of the Act, as domestic producers of greige polyester cotton printcloth. We received complete substantive responses from all domestic interested parties within the 30-day deadline specified in the Sunset Regulations under section 351.218(d)(3)(i). We received nothing from respondent interested parties. As a result, pursuant to section 751(c)(5)(A) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited (120-day) sunset review of this finding.

## Scope of Review

The scope remains unchanged from the Final Results of Expedited Sunset Review; Greige Polyester Cotton Printcloth from the People's Republic of China, 64 FR 13399 (March 18, 1999). The merchandise subject to this antidumping order is greige polyester cotton printcloth, other than 80 x 80 type. Greige polyester cotton printcloth is of chief weight cotton,[2] unbleached and uncolored printcloth. The term ''printcloth'' refers to plain woven fabric, not napped, not fancy or figured, of singles yarn, not combed, of average yarn number 43 to 68,[3] weighing not more than 6 ounces per square yard, of a total count of more than 85 yarns per square inch, of which the total count of the warp yarns per inch and the total count of the filling yarns per inch are each less than 62 percent of the total count of the warp and filling yarns per square inch. This merchandise is currently classifiable under Harmonized Tariff Schedule (HTSUS) item 5210.11.6060. The HTSUS item numbers are provided for convenience and U.S. Customs purposes. The written description remains dispositive.

## Analysis of Comments Received

All issues raised in this case are addressed in the ''Issues and Decision Memorandum'' (''Decision Memo'') from Ronald K. Lorentzen, Acting Director, Office of Policy, Import Administration, to Jeffrey A. May, Acting Assistant Secretary for Import Administration, dated June 29, 2004, which is hereby adopted by this notice. The issues discussed in the Decision Memo include the likelihood of continuation or recurrence of dumping and the magnitude of the margin likely to prevail if the finding were to be revoked. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum, which is on file in room B–099 of the main Commerce Building.

In addition, a complete version of the Decision Memo can be accessed directly on the Web at *http://ia.ita.doc.gov/frn,* under the heading ''July 2004.'' The paper copy and electronic version of the Decision Memo are identical in content.

## Final Results of Review

We determine that revocation of the antidumping duty finding on Greige Polyester Cotton Printcloth from the People's Republic from China would be likely to lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

| Manufacturers/Exporters/Producers | Weighted-average margin percent |
|---|---|
| China-wide ..... | 22.4 |

This notice also serves as the only reminder to parties subject to administrative protective orders (''APO'') of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the Department's regulations. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing the results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: June 29, 2004.

**Jeffrey A. May,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 04–15229 Filed 7–2–04; 8:45 am]

**BILLING CODE 3510–DS–P**

[1] *Initiation of Five-Year (Sunset) Reviews,* 69 FR 9585 (March 1, 2004).

[2] In the scope from the original investigation, the Department defined the subject merchandise by chief value (*i.e.*, the subject merchandise was of chief value cotton). For the purposes of this review, we have incorporated Custom's conversion to chief weight (*i.e.*, the subject merchandise is of chief weight cotton). *See* Memorandum, RE: Greige Polyester Cotton Printcloth-Scope, February 25, 1999.

[3] Under the English system, this average yarn number count translates to 26 to 40. The average yarn number counts reported in previous scope descriptions by the Department are based on the English system of yarn number counts. Per phone conversations with U.S. Customs and Border Protection (''Customs'') officials, Customs now relies on the metric system to establish average yarn number counts. Thus, the 26 to 40 average yarn number count under the English system translates to a 43 to 68 average yarn number count under the metric system. *See* Memorandum, RE: Greige Polyester Cotton Printcloth-Scope, February 19, 1999.

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## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–570–855]**

### Certain Non-Frozen Apple Juice Concentrate From the People's Republic of China: Preliminary Results, Partial Rescission, and Partial Deferral of 2002–2003 Administrative Review

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of preliminary results, partial rescission, and partial deferral of 2002–2003 administrative review.

**SUMMARY:** The Department of Commerce is conducting the third administrative review of the antidumping duty order on non-frozen apple juice concentrate from the People's Republic of China covering the period June 1, 2002, through May 31, 2003.

The administrative review covers one exporter: Gansu Tongda Fruit Juice and Beverage Company. We preliminarily determine that sales of non-frozen apple juice concentrate from the People's Republic of China were made below

normal value during the period June 1, 2002, through May 31, 2003.

If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection to assess antidumping duties for Gansu Tongda Fruit Juice Beverage Company based on the differences between the export price and normal value on all appropriate entries.

Interested parties are invited to comment on these preliminary results. We will issue the final results no later than 120 days from the date of publication of this notice.

**DATES:** Effective: July 6, 2004.

**FOR FURTHER INFORMATION CONTACT:** Audrey Twyman, Stephen Cho, or John Brinkmann, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–3534, (202) 482–3798, or (202) 482–4126, respectively.

**SUPPLEMENTARY INFORMATION:**

## Period of Review

The period of review (''POR'') is June 1, 2002, through May 31, 2003.

## Background

On June 5, 2000, the Department of Commerce (''the Department'') published in the **Federal Register** (65 FR 35606) the antidumping duty order on certain non-frozen apple juice concentrate from the People's Republic of China (''PRC''). On June 2, 2003, the Department notified interested parties of the opportunity to request an administrative review of this order (68 FR 32727). On June 27, 2003, Sanmenxia Lakeside Fruit Juice Co., Ltd. (''Lakeside'') and Xian Yang Fuan Juice Co., Ltd. (''Xian Yang'') requested an administrative review. On June 30, 2003, Xian Asia Qin Fruit Co., Ltd. (''Xian Asia''), Shaanxi Hengxing Fruit Juice Co., Ltd. (''Hengxing''), and Gansu Tongda Fruit Juice Beverage Company (''Gansu Tongda'') requested an administrative review.

On June 30, 2003, Yantai Oriental Juice Co., Ltd. (''Oriental''), SDIC Zhonglu Fruit Juice Co., Ltd. (''Zhonglu''), and Shaanxi Haisheng Fresh Fruit Juice Co., Ltd. (''Haisheng'') requested an administrative review for the period June 1, 2002, through May 31, 2003, but also requested that the review be deferred for one year pursuant to 19 CFR 351.213(c). In the same letter they also requested a revocation pursuant to 19 CFR 351.222(e). On July 9, 2003, Lakeside also submitted a letter requesting a one-year deferral of the third administrative review. We note that Oriental, Zhonglu, Haisheng and Lakeside were subsequently excluded from the order pursuant to the February 13, 2004, *Notice of Amended Final Determination and Amended Order Pursuant to Final Court Decision,* (69 FR 7197).

On July 29, 2003, we published a notice of initiation of this antidumping duty administrative review (68 FR 44524) for Gansu Tongda, Hengxing, Xian Asia and Xian Yang. In the same notice we also deferred the administrative review for Zhonglu, Oriental, Lakeside and Haisheng.

On August 6, 2003, the Department sent questionnaires to the legal representatives of Gansu Tongda, Hengxing, Xian Asia and Xian Yang and a copy to the Embassy of the PRC in the United States.

On August 18, 2003, Xian Yang and Xian Asia requested that the Department rescind their administrative reviews. On August 26, 2003, Hengxing requested that the Department rescind its administrative review. Pursuant to 19 CFR 351.213(d)(1), because Xian Asia, Xian Yang, and Hengxing withdrew their requests for review within 90 days of the date of publication of the notice of initiation of this review and no other party requested a review of these companies, we are rescinding the administrative reviews of Xian Asia, Xian Yang, and Hengxing.

We received the Section A response from Gansu Tongda (''the respondent'') on October 17, 2003, and the Sections C and D responses on November 14, 2003. We sent out a supplemental questionnaire on December 22, 2003, and received a response on January 12, 2004.

On January 6, 2004, the Department invited interested parties to comment on surrogate country selection and to provide publicly available information for valuing the factors of production. We received a response from Gansu Tongda on February 17, 2004.

On March 4, 2004, we published *Certain Non-Frozen Apple Juice Concentrate From the People's Republic of China: Extension of Time Limit for the Preliminary Results of the 2002–2003 Antidumping Duty Administrative Review,* (69 FR 10204) and sent a supplemental questionnaire on March 4, 2004. We received the supplemental response on April 8, 2004. We sent a third supplemental questionnaire on April 20, 2004, and received a response on April 28, 2004.

## Scope of the Order

The product covered by this order is certain non-frozen apple juice concentrate (''AJC''). AJC is defined as all non-frozen concentrated apple juice with a Brix scale of 40 or greater, whether or not containing added sugar or other sweetening matter, and whether or not fortified with vitamins or minerals. Excluded from the scope of this order are: Frozen concentrated apple juice; non-frozen concentrated apple juice that has been fermented; and non-frozen concentrated apple juice to which spirits have been added.

The merchandise subject to this order is classified in the *Harmonized Tariff Schedule of the United States* (''HTSUS'') at subheadings 2106.90.52.00, and 2009.70.00.20 before January 1, 2002, and 2009.79.00.20 after January 1, 2002. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

## Separate Rates Determination

The Department has treated the PRC as a nonmarket economy (''NME'') country in all previous antidumping cases. In accordance with section 771(18)(C)(i) of the Tariff Act of 1930, as amended (''the Act''), any determination that a foreign country is an NME shall remain in effect until revoked by the Department. None of the parties to this proceeding have contested such treatment in this review. Moreover, parties to this proceeding have not argued that the PRC AJC industry is a market-oriented industry. Therefore, we are treating the PRC as an NME country within the meaning of section 773(c) of the Act.

We allow companies in NME countries to receive separate antidumping duty rates for purposes of assessment and cash deposits when those companies can demonstrate an absence of government control, both in law and in fact, with respect to export activities.

To establish whether a company operating in an NME country is sufficiently independent to be entitled to a separate rate, the Department analyzes each exporting entity under the test established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China,* 56 FR 20588 (May 6, 1991) (''*Sparklers*''), as amplified by the *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China,* 59 FR 22585 (May 2, 1994) (''*Silicon Carbide*''). Under the separate rates criteria, the Department assigns separate rates in NME cases only if a respondent can demonstrate the absence of both *de*

*jure* and *de facto* governmental control over export activities.

**Absence of De Jure Control**

Evidence supporting, though not requiring, a finding of *de jure* absence of government control over export activities includes: (1) An absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies. *See Sparklers,* 56 FR at 20589.

Gansu Tongda has placed documents on the record to demonstrate the absence of *de jure* government control. These documents include the ''Foreign Trade Law of the People's Republic of China'' (''Foreign Trade Law''), the ''Company Law of the PRC'' (''Company Law''), and the ''Administrative Regulations of the People's Republic of China Governing the Registration of Legal Corporations'' (''Administrative Regulations''). The Foreign Trade Law grants autonomy to foreign trade operators in management decisions and establishes accountability for their own profits and losses. In prior cases, the Department has analyzed the Foreign Trade Law and found that it establishes an absence of *de jure* control. *See, e.g., Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Partial-Extension Steel Drawer Slides with Rollers from the People's Republic of China,* 60 FR 29571 (June 5, 1995); *Final Determination of Sales at Less Than Fair Value: Certain Preserved Mushrooms from the People's Republic of China,* 63 FR 72255 (December 31, 1998) (''*Mushrooms Final*''). We have no new information in this proceeding which would cause us to reconsider this determination.

The Company Law is designed to meet the PRC's needs of establishing a modern enterprise system, and to maintain social and economic order. The Department has noted that the Company Law supports an absence of *de jure* control because of its emphasis on the responsibility of each company for its own profits and losses, thereby decentralizing control of companies.

Like the Company Law, the Administrative Regulations safeguard social and economic order, as well as establish an administrative system for the registration of corporations. The Department has reviewed the Administrative Regulations and concluded that they show an absence of *de jure* control by requiring companies to bear civil liabilities independently, thereby decentralizing control of companies.

According to the respondent, AJC exports are not affected by quota allocations or export license requirements. The Department has examined the record in this case and does not find any evidence that AJC exports are affected by quota allocations or export license requirements. By contrast, the evidence on the record demonstrates that producers/exporters have the autonomy to set the price at whatever level they wish through independent price negotiations with their foreign customers and without government interference.

Accordingly, we preliminarily determine that there is an absence of *de jure* government control over export pricing and marketing decisions of Gansu Tongda.

**Absence of De Facto Control**

*De facto* absence of government control over exports is based on four factors: (1) Whether each exporter sets its own export prices independently of the government and without the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits or financing of losses; (3) whether each exporter has the authority to negotiate and sign contracts and other agreements; (4) whether each exporter has autonomy from the government regarding the selection of management. *See Silicon Carbide,* 59 FR at 22587; *Sparklers,* 56 FR at 20589.

As stated in previous cases, there is evidence that certain enactments of the PRC central government have not been implemented uniformly among different sectors and/or jurisdictions in the PRC. *See Mushrooms Final,* 63 FR at 72255. Therefore, the Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of governmental control which would preclude the Department from assigning separate rates.

The Department has reviewed the record in this case and notes that the respondent: (1) Establishes its own export prices; (2) negotiates contracts without guidance from any governmental entities or organizations; (3) makes its own personnel decisions; and (4) retains the proceeds from export sales and uses profits according to its business needs without any restrictions.

The information on the record supports a preliminary finding that there is an absence of *de facto* governmental control of the export functions of Gansu Tongda. Consequently, we preliminarily determine that Gansu Tongda has met the criteria for the application of separate rates.

As described below, the Department has determined that Gansu Tongda is affiliated with two other producers of AJC, Tongda Fruit Juice and Beverage Liquan Co., Ltd. (''Liquan'') and Tongda Fruit Juice & Beverage Binxian Co., Ltd. (''Binxian''), and has preliminarily treated them as a single company for purposes of its antidumping duty analysis. Accordingly, the Department will issue separate rates questionnaires to Binxian and Liquan before the publication of the final results, and analyze the combined entity's eligibility for a separate rate at that time.

**Affiliation**

Gansu Tongda exported AJC to the United States during the POR that it had produced itself. Gansu Tongda also purchased AJC from an affiliate, Liquan, which it then sold to the United States during the POR. Liquan did not make any sales of subject merchandise to the United States during the POR. Gansu Tongda is also affiliated with Binxian, another producer of subject merchandise. Binxian did not sell AJC to the United States during the POR, nor did Gansu Tongda purchase AJC from Binxian for sale to the United States during the POR.

Section 771(33)(E) of the Act provides that the Department will find parties to be affiliated if any person directly or indirectly owns, controls, or holds power to vote, five percent or more of the outstanding voting stock or shares of any organization and such organization. Section 771(33)(F) of the Act provides that parties are affiliated if two or more persons directly or indirectly control, or are controlled by, or under common control with any other person; and section 771(33)(G) of the Act provides that parties are affiliated if any person controls any other person. To the extent that section 771(33) of the Act does not conflict with the Department's application of separate rates and enforcement of the NME provision, section 773(c) of the Act, the Department will determine that exporters and/or producers are affiliated if the facts of the case support such a finding.

Gansu Tongda, Liquan and Binxian have two parent companies who share 100 percent control over the three companies and are legally in a position to exercise restraint or direction over all three companies. *See* page two and Exhibit 6 of Gansu Tongda's October 17, 2003, submission; and page 1 of Gansu Tongda's January 12, 2004, submission.

Furthermore, all three companies share the same board of directors, sales office staff, and legal representative. *See* page 2, Exhibit 3 and Exhibit 5 of Gansu Tongda's April 8, 2004, submission. For these reasons, the Department has determined that Gansu Tongda, Liquan and Binxian are affiliated in accordance with section 771(33) of the Act.

**Collapsing**

Based on the ownership ties described above, the Department requested Gansu Tongda to (1) report the factors of production data from each company listed above if it produced subject merchandise during the POR; and (2) provide information on the relationship between and among these companies for purposes of determining whether the Department should collapse any or all of them in the preliminary results (*see* March 4, 2004, supplemental questionnaire for details).

Pursuant to 19 CFR 351.401(f), the Department will collapse producers and treat them as a single entity where (1) those producers are affiliated, (2) the producers have production facilities for producing similar or identical products that would not require substantial retooling of either facility in order to restructure manufacturing priorities, and (3) there is a significant potential for manipulation of price or production. In determining whether a significant potential for manipulation exists, the regulation provides that the Department may consider various factors, including (1) the level of common ownership, (2) the extent to which managerial employees or board members of one firm sit on the board of directors of an affiliated firm, and (3) whether the operations of the affiliated firms are intertwined. *See Gray Portland Cement and Clinker From Mexico: Final Results of Antidumping Duty Administrative Review*, 63 FR 12764, 12774 (March 16, 1998) and *Final Determination of Sales at Less Than Fair Value: Collated Roofing Nails from Taiwan*, 62 FR 51427, 51436 (October 1, 1997). To the extent that this provision does not conflict with the Department's application of separate rates and enforcement of the NME provision, section 773(c) of the Act, the Department will collapse two or more affiliated entities in a case involving an NME country if the facts of the case warrant such treatment. *See Certain Preserved Mushrooms from the People's Republic of China: Preliminary Results of Sixth New Shipper Review and Preliminary Results and Partial Rescission of Fourth Antidumping Duty Administrative Review*, 69 FR 10410 (March 5, 2004) (''*Mushrooms Prelim*'').

Furthermore, we note that the factors listed in 19 CFR 351.401(f)(2) are not exhaustive, and in the context of an NME investigation or administrative review, other factors unique to the relationship of business entities within the NME may lead the Department to determine that collapsing is either warranted or unwarranted, depending on the facts of the case. *See Hontex Enterprises, Inc.* v. *United States*, 248 F. Supp. 2d 1323, 1344 (CIT 2003) (noting that the application of collapsing in the NME context may differ from the standard factors listed in the regulation).

In summary, depending upon the facts of each investigation or administrative review, if there is evidence of significant ownership ties or control between or among producers which produce similar and/or identical merchandise, but may not all produce their product for sale to the United States, the Department may find such evidence sufficient to apply the collapsing criteria in an NME context in order to determine whether all or some of those affiliated producers should be treated as one entity, *see Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China, Preliminary Determination of Sales at Less Than Fair Value*, 66 FR 22183 (May 3, 2001).

Gansu Tongda has reported that Gansu Tongda, Liquan and Binxian all produced identical or similar merchandise during the POR. Therefore, we find that the first and second criteria for collapsing are met here because these companies are affiliated as explained above and all have production facilities for producing similar or identical products that would not require substantial retooling in order to restructure manufacturing priorities.

Finally, we find that the third collapsing criterion is met in this case because a significant potential for manipulation of price or production exists among Gansu Tongda, Liquan and Binxian for the following reasons. As explained above, there is a high level of common ownership between and among these companies. Second, also as discussed above, a significant level of common control exists among these companies. Third, Gansu Tongda's acquisition and sale of subject merchandise produced by Liquan indicates that the operations of these companies are intertwined, as does the fact that all three companies share the same sales office staff. Thus, we find that the operations of Gansu Tongda, Liquan and Binxian are sufficiently intertwined.

Therefore, based on the above-mentioned findings and following the guidance of 19 CFR 351.401(f), we have preliminarily collapsed Gansu Tongda, Liquan and Binxian because there is a significant potential for manipulation between these affiliated parties. *See Mushrooms Prelim.*

**Export Price**

For sales made by Gansu Tongda we used export price (''EP''), in accordance with section 772(a) of the Act, because the subject merchandise was sold to unaffiliated purchasers in the United States prior to importation into the United States and because the constructed export price methodology was not warranted by other circumstances.

We calculated EP based on the prices to unaffiliated purchasers. In accordance with section 772(c) of the Act, we deducted from these prices, where appropriate, amounts for foreign inland freight, international freight, other U.S. transportation expense, and U.S. customs duty (including merchandise processing and harbor maintenance fees). We selected Poland as the surrogate country for the reasons explained in the ''*Normal Value*'' section of this notice, below. However, where we were unable to find Polish data to value particular factors of production, we have valued these inputs using public information on the record for India, one of the comparable economies identified in the August 4, 2003, Memorandum from Ron Lorentzen to Audrey Twyman, ''Third Administrative Review of the Antidumping Duty Order on Non-Frozen Apple Juice Concentrate from the People's Republic of China (PRC): Request for a List of Surrogate Countries.'' We valued the deductions for foreign inland freight using Indian freight costs. Where, as here, a significant portion or all of a specific company's ocean freight was provided directly by market economy companies and paid for in a market economy currency, we use the reported market economy ocean freight values for all U.S. sales made by that company. *See* 19 CFR 351.408(c)(1) (regulation for the information used to value factors of production).

**Normal Value**

Section 773(c)(1) of the Act provides that the Department shall determine normal value (''NV'') using a factors-of-production methodology if: (1) The subject merchandise is exported from an NME country, and (2) the Department finds that the available information does not permit the calculation of NV under section 773(a) of the Act. We have no basis to determine that the available

information would permit the calculation of NV using PRC prices or costs. Therefore, we calculated NV based on factors data in accordance with section 773(c) of the Act and 19 CFR 351.408(c).

Under the factors-of-production methodology, we are required to value, to the extent possible, the NME producer's inputs in a market economy country that is at a comparable level of economic development and that is a significant producer of comparable merchandise.

We have followed the guidelines set out in policy bulletin number 04.1, ''Non-Market Economy Surrogate Country Selection Process,'' dated March 1, 2004, to determine the appropriate surrogate country. *See* the June 29, 2004, Memorandum to Jeff May from Susan Kuhbach ''Surrogate Selection and Valuation—Non-Frozen Apple Juice Concentrate from China,'' (''Surrogate Country Memo'') for a further discussion of our surrogate selection, which is on file in the Department's Central Records Unit in Room B–099 of the main Department building (''CRU''). We chose Poland, a significant producer of the comparable merchandise apple juice concentrate, as the primary surrogate on the basis of the criteria set out in section 773(c)(4) of the Act, and in 19 CFR 351.408(b). Although Poland was not identified in the Department's list of most comparable economies (*see* August 4, 2003, Memorandum from Ron Lorentzen to Audrey Twyman, ''Third Administrative Review of the Antidumping Duty Order on Non-Frozen Apple Juice Concentrate from the People's Republic of China (PRC): Request for a List of Surrogate Countries''), we were unable to establish that any of the listed comparable economies were significant producers of comparable merchandise.

We have applied surrogate values based on publicly available information from Poland for the major input, juice apples, as well as electricity, factory overhead, selling, general and administrative expenses (''SG&A''), and profit ratios. However, because we were unable to obtain Polish data to value the other, less significant factors of production, we have relied upon public information on the record for India and Indonesia, two of the comparable economies identified by the Department. For the by-product, pomace, we were able to find only a United States value and have used this for these preliminary results. Where these surrogate values were not contemporaneous with the POR, we inflated the data to the POR using the wholesale price indices (''WPI'') published by the International Monetary Fund, unless otherwise noted.

Pursuant to the Department's factors-of-production methodology as provided in section 773(c) of the Act and 19 CFR 351.408(c), we valued the respondent's reported factors of production by multiplying them by the values below. (For a complete description of the factor values used, *see* the Memorandum to Susan Kuhbach: ''Factors of Production Values Used for the Preliminary Results,'' dated June 29, 2004, which is on file in the CRU.) The factors of production usage rates were calculated based on the weighted-average usage rates for Gansu Tongda, Liquan and Binxian.

*Juice Apples:* We have valued juice apples using prices of juice apples in Poland, covering 39 weeks of the POR, which were provided to the Department by the Foreign Agriculture Service (''FAS'') at the U.S. Embassy in Warsaw, Poland. This pricing data was obtained by the FAS from the Polish Foreign Agricultural Markets Monitoring Unit/ Foundation for Aid Programs for Agriculture and the Institute of Agricultural Economics. The average value of these 39 prices is $57.78 per metric ton.

*Processing Agents:* We valued pectinex enzyme, pectinase enzyme, amylase enzyme, and gelatin for the POR using the *World Trade Atlas* data for India which is based on data reported by the Directorate General of Commercial Intelligence & Statistics of the Ministry of Commerce, which also supplies the same data for the *Monthly Statistics of the Foreign Trade of India, Volume II: Imports* (''Indian import statistics'').

*Labor:* Pursuant to § 351.408(c)(3) of the Department's regulations, we valued labor using the regression-based wage rate for the PRC published by Import Administration on its website.

*Electricity and Steam Coal:* To value electricity, we used Polish industrial electricity rate data from the *Energy Prices & Taxes—Quarterly Statistics (First Quarter 2003)* published by the International Energy Agency. We were unable to obtain Polish surrogate values for steam coal of the specific heat values reported by the PRC AJC producers. Therefore, we determined that the most contemporaneous and detailed information on the record for steam coal was derived from the *Energy Data Directory & Yearbook (2001/2002)* published by Tata Energy Research Institute in India. The data for the Indian domestic price of steam coal is contemporaneous with the POR and broken out by useful heat value. Thus, we used the Indian figures to value the amount for steam coal.

*Factory Overhead, SG&A, and Profit:* We derived ratios for factory overhead, SG&A, and profit, using the 2002 financial statement of Agros Fortuna, a public company in Poland that produces products similar to the subject merchandise.

*Packing Materials:* We calculated values for aseptic bags, plastic liners, and labels using the *World Trade Atlas* data for India for the POR. We converted values from a per kilogram to a per piece basis, where necessary.

For steel drums, we could not find a reliable current Indian value. Therefore, we used a 1994 Indonesian price and inflated it using the Indonesian WPI.

*Inland Freight Rates:* To value truck freight rates, we used an April 2002 article from the *Iron and Steel Newsletter*, which quotes information derived from the website, *www.infreight.com.* With regard to rail freight, we based our calculation on posted rail rates from the Indian Railways at www.indianrailways.gov.in. We calculated an average per kilometer per metric ton rate.

*By-products:* As the reported factors included pomace as a by-product resulting from production of AJC, we have made a deduction to the AJC surrogate value to account for the by-product. Because we were unable to find reliable Indian values for apple pomace, we used a U.S. price as the surrogate value because it is the only pomace value on the record of this proceeding. Apple pomace was valued using an April 2000 study published by the University of Georgia.

**Preliminary Results of the Review**

We preliminary determine that the following dumping margin exists for the period June 1, 2002, through May 31, 2003:

| Producer/exporter | Weighted-average margin percentage |
|---|---|
| Gansu Tongda Fruit Juice and Beverage Company ..... | 0.57 |

**Assessment Rates**

Pursuant to 19 CFR 351.212(b), the Department calculates an assessment rate for each importer of the subject merchandise for each respondent. Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (*i.e.*, at or above 0.5 percent), the Department will issue appraisement

instructions directly to U.S. Customs and Border Protection (''CBP'') to assess antidumping duties on appropriate entries by applying the assessment rate to the entered value of the merchandise. For assessment purposes, we calculate importer-specific assessment rates for the subject merchandise by aggregating the dumping duties due for all U.S. sales to each importer and dividing the amount by the total entered value of the sales to that importer.

All other entries of the subject merchandise during the POR will be liquidated at the antidumping duty rate in place at the time of entry except for Yantai Oriental Juice Co., Qingdao Nannan Foods Co., Sanmenxia Lakeside Fruit Juice Co. Ltd., Shaanxi Haisheng Fresh Fruit Juice Co., and SDIC Zhonglu Juice Group Co. which were recently excluded from the order on remand and whose entries will be liquidated without regard to antidumping duties.

The Department will issue appropriate assessment instructions directly to CBP within 15 days of publication of the final results of this review.

**Cash Deposit Requirements**

Should the final results of this administrative review not differ from these preliminary results, the following cash deposit requirements will be effective upon publication of the final results for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) For the PRC company named above, the cash deposit rate for exports to the United States by that company will be the rate established in the final results of this review, except that, for exporters with *de minimis* rates, *i.e.*, less than 0.50 percent, no deposit will be required; (2) for companies previously found to be entitled to a separate rate in a prior segment of the proceeding, and for which no review has been requested, the cash deposit rate will continue to be the rate established in the most recent review of that company (except for Xian Yang, which had a new cash deposit rate of 3.83 percent set effective December 12, 2003); (3) for all other PRC exporters, the cash deposit rate will be 51.74 percent, the PRC country-wide *ad-valorem* rate; and (4) for non-PRC exporters of subject merchandise from the PRC to the United States, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

**Public Comment**

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of the date of publication of this notice. Any hearing, if requested, will be held approximately 42 days after the publication of this notice, or the first workday thereafter. Issues raised in hearings will be limited to those raised in the case and rebuttal briefs. Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs within 30 days of the date of publication of this notice. Furthermore, as discussed in 19 CFR 351.309(d)(2), rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 35 days after the date of publication of this notice. Parties who submit case briefs or rebuttal briefs in this review are requested to submit with each argument (1) a statement of the issue and (2) a brief summary of the argument with an electronic version included.

The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any such written briefs or hearing, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

**Notification to Importers**

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1), and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: June 29, 2004.

**Jeffrey A. May,**

*Acting Assistant Secretary for Import Administration.*

[FR Doc. 04–15232 Filed 7–2–04; 8:45 am]

BILLING CODE 3510–DS–P

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–405–803, A–201–834, A–421–811, A–401–808]**

### Notice of Initiation of Antidumping Duty Investigations: Purified Carboxymethylcellulose (CMC) From Finland, Mexico, the Netherlands, and Sweden

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Initiation of antidumping duty investigations.

**EFFECTIVE DATE:** July 6, 2004.

**FOR FURTHER INFORMATION CONTACT:** Brian J. Sheba (Finland) at 202–482–0145, Mark Flessner (Mexico) at 202–482–6312, John Drury (the Netherlands) at 202–482–0195, Patrick Edwards (Sweden) at 202–482–8029, Robert James at 202–482–0649, or Abdelali Elouraradia at 202–482–1374, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

**Initiation of Investigations**

*The Petition*

On June 9, 2004, the Department of Commerce (the Department) received an antidumping duty petition (Petition) filed in the proper form by Aqualon Company (Aqualon or petitioner), a division of Hercules Incorporated. Aqualon is a domestic producer of purified carboxymethylcellulose (CMC). On June 15, 2004, the Department requested clarification on a number of different issues raised by the Petition. On June 18, 2004, petitioner submitted information to supplement the Petition (Supplemental Petition). The Department requested additional revisions to the Petition on June 22, 2004, and June 25, 2004, to which petitioner responded on June 24, 2004 (Second Supplemental Petition) and June 28, 2004 (Third Supplemental Petition). In accordance with section 732(b) of the Act of 1930, as amended (the Act), petitioner alleges imports of CMC from Finland, Mexico, the Netherlands, and Sweden are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the U.S. industry.

The Department finds that petitioner filed its Petition on behalf of the domestic industry because it is an